



State of Washington
PUBLIC DISCLOSURE COMMISSION

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9:33 a.m.
August 26, 2010

MINUTES – RETREAT - REGULAR MEETING

Lacey Community Center
6729 Pacific Avenue, SE
Olympia, Washington

**COMMISSION MEMBERS
PRESENT**

Dave Seabrook, Chair
Barry Sehlin, Vice Chair
Jennifer Joly, Secretary
Jane Noland, Member
Jim Clements, Member

STAFF PRESENT

Doug Ellis, Interim Executive Director
Nancy Krier, General Counsel
Michael Smith, Chief Technology Officer
Lori Anderson, Communications and Training Officer
Phil Stutzman, Director of Compliance
Suemary Trobaugh, Administrative Officer
Kurt Young, Compliance Officer
Jana Greer, Confidential Secretary

The annual retreat/regular meeting of the Public Disclosure Commission was called to order by Commission Chair Dave Seabrook at 9:33 a.m. at the Lacey Community Center in Lacey, Washington.

Citizen Comments/Concerns

No citizen comments or concerns were expressed.

Commissioner Comments

No comments were expressed.

Minutes

Motion 10-117

Moved by Commissioner Joly, seconded by Commissioner Sehlin:

The Commission adopts the minutes of July 22, 2010.

The motion passed unanimously.

Enforcement Review

1. *Ronald Morehouse*, PDC Case #10-111, found to have violated RCW 42.17.240 and assessed a penalty of \$500.

Kurt Young summarized Mr. Morehouse's request to have the Commission review the findings, facts, and conclusion of law in PDC case #10-111. The original order of June 23, 2010 from the brief enforcement hearing found Mr. Morehouse in violation of RCW 42.17.240.

Mr. Morehouse participated via conference call and was available for questions.

PDC staff had notified Mr. Morehouse five times of the alleged violation and brief enforcement hearing scheduled

on June 23, 2010. Mr. Morehouse did not appear at the hearing and a violation was determined and a penalty assessed.

The Commission made no motion amending the original order of June 23, 2010 and it becomes final.

2011 Agency Request Legislation

- Push Polling (Z-0076)
- Telephonic Political Advertising (Z-0077)

Nancy Krier continued the discussion from the July Commission meeting on possible agency request legislation for 2011. The Commission had previously voted to proceed seeking amendments to RCW 42.17 to require additional disclosure of push polls and possibly other telephone political advertising.

She provided information on stakeholder input and reviewed with the Commission two draft bill options (Z-0076 and Z-0077). She summarized the stakeholder support for the legislation including from polling organizations.

The proposed draft legislation selected to proceed (Z-0077) would require sponsor identification for all telephonic political advertising of 500 or more substantially similar calls, and of all "Push Polls".

The Commission agreed to move forward with the agency request legislation. Commissioner Noland expressed an interest in any litigation concerning "Push Polls".

Executive Director Search Process

Nancy Krier reviewed options for an Executive Director search process. She discussed the possible cost of the search and expenditures of other government agencies in developing and implementing a search process, and provided other background information.

Chair Seabrook proposed that the Commission postpone the discussion until the September meeting when Doug Ellis can provide an update on the 2011-13 budget.

2009 – 11 Strategic Plan Update

Doug Ellis updated the Commission on the status of the items on the current 2009-11 Strategic Plan; this plan is effective until July 2011.

Doug reviewed the status of each item with the Commission.

Enforcement Rules – Strategic Plan Action Items 1-3(a) and 1-7

Action Item 1-3(b) of the 2009-2011 Strategic Plan will be postponed to the next Commission meeting.

Nancy Krier reviewed Action Items:

- 1-3(a). (Examine current enforcement rules relating

to brief enforcement hearings and the maximum penalty amount that may be imposed.)

Examples were provided of types of cases heard at brief enforcement hearings and the current \$500 penalty authority in Commission rule. The Commission determined it would not adjust the current \$500 penalty limit for brief enforcement hearings.

- 1-7. (Draft rules to define mitigating and aggravating circumstances that will impact penalty assessments.)

Nancy provided examples of other agencies using aggravating/mitigating factors in assessing penalties and examples of the types of aggravating/mitigating circumstances that have been provided to the Commission by staff or parties in hearings. The Commission determined the current process for assessing penalty amounts is appropriate and need not be changed at this time.

2011-13 Strategic Plan

Doug Ellis continued the 2011-13 Strategic Plan discussion that began at the May 2010 Commission meeting.

The new Action Items center around avenues to highlight and enhance the PDC presence on the Internet, to upgrade current filing systems and to improve internal processes.

Doug said Action Item 4-1 in the 2009-11 Strategic Plan will be carried forward to the 2011-13 plan. The final Strategic Plan should be ready for approval at December 2010 Commission meeting.

Divisional Reports

1. Compliance Division

Phil Stutzman and Kurt Young presented a report to the Commission on the Compliance Division's use of time in FY 10 and the complaint/review process.

2. Information Technology Division

Michael Smith presented a report to the Commission highlighting the IT portfolio and the need for a disaster recovery site.

Michael also demonstrated the new legislative money map that will be accessible on the agency website next week.

The Training/Outreach and Administration divisional reports will be postponed until the September 2010

Lunch

Commission meeting.

The Commission recessed for lunch at 12:21 p.m.

The Commission returned to public session at 1:30 p.m.

Legal Defense Funds

Roundtable Discussion

Panelist

- Timothy Petumenos, Attorney and Independent Counsel, Alaska (via Internet)
- Scott Hallabrin, General Counsel, California Fair Political Practices Commission (via Internet)
- Linnaea Jablonski, Chair, Washington State Executive Ethics Board
- Melanie de Leon, Executive Director, Washington State Ethics Board
- Tony M. Cook, Vice Chair, Washington State Legislative Ethics Board
- Mike O'Connell, Board Counsel, Washington State Legislative Ethics Board
- John W. Sleeter, Chair, Washington State Commission on Judicial Conduct
- Reiko Callner, Executive Director, Washington State Commission on Judicial Conduct

Nancy Krier provided background materials on legal defense funds and how other jurisdictions have addressed this issue. Her presentation included some examples of inquiries in Washington state.

Individuals that were invited to participate in person and via a webinar joined the roundtable discussion. (Due to technical difficulties Mr. Petumenos was unable to join us.) They provided information from their respective agencies.

The Washington State participants expressed interest in the topic and agreed to seek input from their boards or commissions, and provide the information to the Commission to assist with the decision on how to move forward.

Adjournment

Chair Seabrook adjourned the meeting at 3:01 p.m.

Approved by the Commission on September 23, 2010.